

Indiana House of Representatives

News and Information

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FOR IMMEDIATE RELEASE:

March 31, 2005

PELATH: RIVERBOAT REVENUE SCHEME IS SIMPLE THIEVERY

INDIANAPOLIS – State Rep. Scott Pelath (D-Michigan City) today called efforts to strip gaming communities of their riverboat revenue the most brazen and shameless act he has ever witnessed in state government.

"The political Vikings have landed ashore and are trying to plunder our community while others benefit," said Pelath. "I will do everything within my constitutional powers to stop them."

Today, the House Ways and Means Committee voted to strip units of government in LaPorte County, Lake County, and several counties along the Ohio River of most of their riverboat revenue.

Under the proposal shepherded by State Rep. Jeffrey Espich (R-Uniondale), riverboat areas would lose all wagering tax distributions and a supplemental distribution used to bolster admissions tax revenue. Michigan City would lose \$10.8 million, LaPorte County \$1.2 million and the area Convention and Visitors Bureau \$124,000.

According to the plan, the above dollars would be redistributed to non-gaming counties and the state's General Fund.

"The measure also fails to consider the numerous revenue sharing agreements that already exist within counties, so the effect actually would be deeper and more widely spread than the initial figures indicate," said Pelath. "This is more than just a little pick-pocketing to bolster a few budget figures. This is political robbery, assault, and battery."

The House plan comes on the heels of an Indiana Senate initiative that would strip over \$7 million from Michigan City. The proposal now is included in the Senate version of the biennial budget.

"Few thought that anyone could dream up a worse plan than the Senate's," said Pelath. "Both measures should be stopped dead in their tracks."

Pelath also issued a reminder that legislative power brokers still endeavor to cut funding for many LaPorte County schools, particularly those in Michigan City. The House version of the state budget proposed cutting Michigan City Area Schools by approximately \$1.5 million.

"The battle over riverboat dollars is completely separate from the one already being waged over school funding," said Pelath. "We now are in a two front war."

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This news release can be accessed on the Internet at www.IN.gov/H09